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**GRANT COUNCIL ON AGING, INC.
Colfax, Louisiana**

**FINANCIAL STATEMENTS
AND
AUDITORS' REPORTS**

June 30, 2002

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 1/15/03

**GRANT COUNCIL ON AGING, INC.
COLFAX, LOUISIANA**

**FINANCIAL STATEMENTS AND AUDITORS' REPORTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002**

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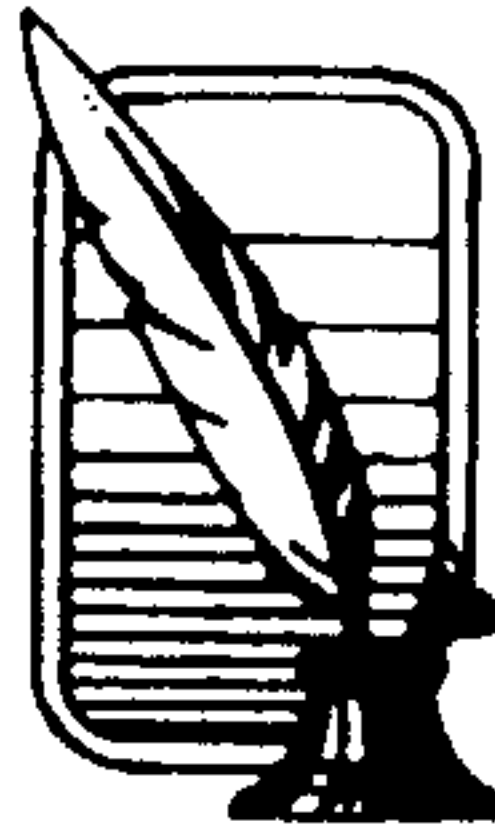
**GRANT COUNCIL ON AGING, INC.
COLFAX, LOUISIANA**

**FINANCIAL STATEMENTS AND AUDITORS' REPORTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002**

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MEMBER
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SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

DAUZAT, BEALL & DEBEVEC, CPAs

A PROFESSIONAL CORPORATION

INDEPENDENT AUDITORS' REPORT

Board of Directors
Grant Council on Aging, Inc.
Colfax, Louisiana

We have audited the accompanying general purpose financial statements of Grant Council on Aging, Inc., (a non-profit, quasi-public organization) as of and for the year ended June 30, 2002. These general purpose financial statements are the responsibility of the **Council's** management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards in the U.S. and the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of Grant Council on Aging, Inc., as of June 30, 2002, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 22, 2002, on our consideration of the **Council's** internal control over financial reporting and our test of its compliance with certain provisions of laws, regulations, and contracts.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The additional information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the general purpose financial statements of the Grant Council on Aging, Inc. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.



Certified Public Accountants

October 25, 2002

EXHIBIT A

GRANT COUNCIL ON AGING, INC.
Colfax, LouisianaCOMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
June 30, 2002
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2001

	Governmental Fund Types		Account Group		Totals	
	General	Special Revenue	General Fixed Assets	General Long-Term Debt	(Memorandum Only) 2002	2001
ASSETS						
Cash	\$ 39,433				\$ 39,433	\$ 39,357
Investments	15,535				15,535	15,144
Accounts receivable						
Centa Area Agency on Aging, Inc		\$ 15,446			15,446	12,375
Department of Health and Hospitals	42				42	126
Prepaid insurance						
Meter deposit		75			75	75
Due from Special Revenue Fund	13,769				13,769	5,951
General fixed assets			\$ 70,989		70,989	12,324
OTHER DEBITS:						
Amount to be provided for retirement of long term debt				\$ 9,846	9,846	8,931
Total Assets	<u>\$ 68,779</u>	<u>\$ 15,521</u>	<u>\$ 70,989</u>	<u>\$ 9,846</u>	<u>\$ 165,135</u>	<u>\$ 94,286</u>
LIABILITIES, FUND EQUITY AND OTHER CREDITS						
LIABILITIES:						
Accounts payable	\$ -0-	\$ 708	\$ -0-		\$ 708	\$ 1,187
Due to General Fund		13,769			13,769	5,951
Compensated absences payable				\$ 9,846	9,846	8,934
Total Liabilities	<u>-0-</u>	<u>14,477</u>	<u>-0-</u>	<u>9,846</u>	<u>24,323</u>	<u>16,072</u>
FUND EQUITY AND OTHER CREDITS:						
Investment in General Fixed Assets			70,989		70,989	12,324
Reserved for Utility Assistance		1,044			1,044	5,313
Unreserved - Undesignated	<u>68,779</u>				<u>68,779</u>	<u>60,577</u>
Total Fund Equity and Other Credits	<u>68,779</u>	<u>1,044</u>	<u>70,989</u>	<u>-0-</u>	<u>140,812</u>	<u>78,214</u>
Total Liabilities, Fund Equity and Other Credits	<u>\$ 68,779</u>	<u>\$ 15,521</u>	<u>\$ 70,989</u>	<u>\$ 9,846</u>	<u>\$ 165,135</u>	<u>\$ 94,286</u>

The accompanying notes are an integral part of this statement.

GRANT COUNCIL ON AGING, INC.
Cottax, Louisiana

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES**
For the Year Ended June 30, 2002
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2001

	<u>General</u>	<u>Special Revenue</u>	<u>Totals (Memorandum Only)</u>	
			<u>2002</u>	<u>2001</u>
Revenues				
Intergovernmental				
Cenla Area Agency on				
Aging, Inc.		\$153,562	\$ 153,562	\$ 137,654
Office of Elderly Affairs	\$ 21,779		21,779	21,779
Department of Health and				
Hospitals	557		557	558
United Way		4,178	4,178	6,036
Program income	1,140	17,942	19,082	15,754
Public support	2,965	3,513	6,478	4,377
Interest income	393		393	246
Total revenues	<u>26,834</u>	<u>179,195</u>	<u>206,029</u>	<u>186,404</u>
Expenditures				
Current:				
Salaries	361	94,790	95,151	91,711
Fringe	46	12,071	12,117	11,506
Travel	853	3,656	4,509	5,116
Operating services	5,677	75,970	81,647	68,867
Operating supplies	1,894	6,778	8,672	6,808
Other costs				
Meals				
Capital outlay				
Total expenditures	<u>8,831</u>	<u>193,265</u>	<u>202,096</u>	<u>184,008</u>
Excess (deficiency) of				
revenues over expenditures	<u>18,003</u>	<u>(14,070)</u>	<u>3,933</u>	<u>2,396</u>
Other financing sources (uses)				
Operating transfers in	11,978	60,811	72,789	69,319
Operating transfers out	<u>(21,779)</u>	<u>(51,010)</u>	<u>(72,789)</u>	<u>(69,319)</u>
Total other financing				
sources (uses)	<u>(9,801)</u>	<u>9,801</u>	<u>-0-</u>	<u>-0-</u>
Excess (deficiency) of revenues				
and other financing sources over				
expenditures and other financing				
uses	8,202	(4,269)	3,933	2,396
Fund balance, beginning	<u>60,577</u>	<u>5,313</u>	<u>65,890</u>	<u>63,494</u>
Fund balance, ending	<u>\$68,779</u>	<u>\$ 1,044</u>	<u>\$69,823</u>	<u>\$ 65,890</u>

The accompanying notes are an integral part of this statement.

EXHIBIT C

GRANT COUNCIL ON AGING, INC.
Colfax, Louisiana

**STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
 GENERAL FUND
 For the Year Ended June 30, 2002**

	<u>Budget</u>	<u>Actual</u>	Variance- Favorable (Unfavorable)
REVENUES			
Intergovernmental			
Office of Elderly Affairs	\$ 21,779	\$ 21,779	\$ 0
Department of Health and Hospitals	250	557	307
Program Income		1,140	1,140
Public Support		2,965	2,965
Interest Income		393	393
Total revenues	<u>22,029</u>	<u>26,834</u>	<u>4,805</u>
EXPENDITURES			
Current:			
Salaries	342	361	(19)
Fringe	35	46	(11)
Travel	12	853	(841)
Operating services	69	5,677	(5,608)
Operating supplies	8	1,894	(1,886)
Other costs	5	5	5
Total expenditures	<u>471</u>	<u>8,831</u>	<u>(8,360)</u>
Excess (deficiency) of revenues over expenditures	<u>21,558</u>	<u>18,003</u>	<u>(3,555)</u>
OTHER FINANCING SOURCES (USES)			
Operating transfers in	211	11,978	11,757
Operating transfers out	<u>(21,779)</u>	<u>(21,779)</u>	<u>0</u>
Total other financing sources (uses)	<u>(21,558)</u>	<u>(9,801)</u>	<u>11,757</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses		8,202	8,202
Fund balance, beginning	<u>60,577</u>	<u>60,557</u>	<u>0</u>
Fund balance, ending	<u>\$ 60,577</u>	<u>\$ 68,779</u>	<u>\$ 8,202</u>

The accompanying notes are an integral part of this statement.

EXHIBIT D

GRANT COUNCIL ON AGING, INC.
Colfax, Louisiana

**STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
SPECIAL REVENUE FUND
For the Year Ended June 30, 2002**

	<u>Budget</u>	<u>Actual</u>	Variance- Favorable (Unfavorable)
REVENUES			
Intergovernmental	\$ 197,250	\$ 153,562	\$ (43,688)
United Way		4,178	4,178
Program Income	11,413	17,942	6,529
Public Support		3,513	3,513
Interest Income			
Total revenues	<u>208,663</u>	<u>179,195</u>	<u>29,468</u>
EXPENDITURES			
Current:			
Salaries	95,293	94,790	503
Fringe	9,831	12,071	(2,240)
Travel	28,398	3,656	24,742
Operating services	109,935	75,970	33,965
Operating supplies	8,418	6,778	1,640
Other	4,695		4,695
Total expenditures	<u>256,570</u>	<u>193,265</u>	<u>63,305</u>
Excess (deficiency) of revenues over expenditures	<u>(47,907)</u>	<u>(14,070)</u>	<u>33,837</u>
OTHER FINANCING SOURCES (USES)			
Operating transfers in	59,241	60,811	1,570
Operating transfers out	<u>(11,334)</u>	<u>(51,010)</u>	<u>(39,676)</u>
Total other financing sources (uses)	<u>47,907</u>	<u>9,801</u>	<u>(38,106)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>-0-</u>	<u>(4,269)</u>	<u>(4,269)</u>
Fund balance, beginning	<u>5,313</u>	<u>5,313</u>	<u>-0-</u>
Fund balance, ending	<u>\$ 5,313</u>	<u>\$ 1,044</u>	<u>\$ (4,269)</u>

The accompanying notes are an integral part of this statement.

GRANT COUNCIL ON AGING, INC.
Colfax, Louisiana

NOTES TO FINANCIAL STATEMENTS
June 30, 2002

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity:

In 1964, the State of Louisiana passed Act 456 which authorized the charter of voluntary councils on aging for the welfare of the aging people in their respective parishes. Charters are issued by the Louisiana Secretary of State upon approval by the Governor's Office of Elderly Affairs. The Grant Council on Aging, Inc. is a non-profit corporation which must comply with the policies and regulations established by the Governor's Office of Elderly Affairs. The **Council** also receives revenues from other federal, state, and local government agencies which may impose certain restrictions on how the **Council** can use the money provided.

The **Council** is not a component unit of another primary government nor does it have any component units which are related to it. Therefore, the **Council** has presented its financial statements as a separate special-purpose government.

The primary function of Grant Council on Aging, Inc. is to improve the quality of life for the parish's elderly and to provide services to the elderly of the parish. Such services include providing a location for meals, nutritional education, information and assistance services, homemaker services, operating senior centers, and transportation. A Board of Directors, consisting of voluntary members who serve three-year terms, governs the **Council**.

B. Presentation of Statements:

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. In November of 1984, the GASB issued a codification of governmental accounting and financial reporting standards. This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments.

GRANT COUNCIL ON AGING, INC.
Colfax, Louisiana

NOTES TO FINANCIAL STATEMENTS
June 30, 2001

B. Presentation of Statements: (continued)

The accompanying financial statements conform to generally accepted accounting principles for state and local governments. These statements have incorporated any applicable requirements set forth by Audits of State and Local Governmental Units, the industry audit guide issued by the American Institute of Certified Public Accountants; Subsection VI - Annual Financial Reporting, accounting manual for Governor's Office of Elderly Affairs contractors; and, the Louisiana Governmental Audit Guide.

C. Fund Accounting:

The accounts of the **Council** are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statements in this report into two generic fund types and one broad fund category (account group).

Governmental Fund Types

Governmental funds are used to account for all or most of the **Council's** general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition of fixed assets, and the servicing of general long-term debt.

The governmental funds and the programs comprising them as presented in the financial statements are described as follows:

GRANT COUNCIL ON AGING, INC.
Colfax, Louisiana

NOTES TO FINANCIAL STATEMENTS
June 30, 2001

C. Fund Accounting: (Continued)

General Fund

The General Fund is the general operating fund of the **Council**. It is used to account for all financial resources except those required to be accounted for in another fund. These discretionary funds are accounted for and reported according to the source (federal, state, or local) from which they are derived. In addition, the servicing of general long-term debt is accounted for in the General Fund because unrestricted resources are used to pay for the liabilities incurred by this fund and there are no legal mandates to use a debt service fund.

The following programs comprise the **Council's** General Fund:

Other Local

Revenues, such as, (1) donations from the general public, (2) income from various fund raisers (3) program service revenue from renting Medic Alert units and providing Medicaid services, and (4) interest income earned on idle funds which have been invested, have been recorded in the "other local" program of the General fund. Expenses incurred which are not chargeable to specific programs are recorded at "other local" program expenditures. Also, expenses incurred to produce related program service fees and fund raising income are charged to "other local" program expenditures. "Other local" funds are also used as transfers to special revenue funds to supplement those programs. In addition, fixed asset additions are generally paid with "other local" funds.

Medicaid

This is a program where the **Council** completes enrollment applications for people wanting to apply for Medicaid services. The **Council** is paid \$14 per application it completes by the Department of Health and Hospitals (DHH). Any funds remaining after applying direct costs to operate this program are available for discretionary use by management.

GRANT COUNCIL ON AGING, INC.
Colfax, Louisiana

NOTES TO FINANCIAL STATEMENTS
June 30, 2001

C. Fund Accounting: (Continued)

General Fund (continued)

PCOA (Act 735)

PCOA (Act 735) funds are appropriated for the **Council** by the Louisiana Legislature and remitted to the **Council** via the Governor's Office of Elderly Affairs (GOEA). The council may use these "Act 735" funds at its discretion provided the program is benefitting people who are at least 60 years old.

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments and major capital projects) that are legally restricted to expenditures for specified purposes. Most of the **Council's** special revenue funds are provided by GOEA. The Title III funds are provided by the United States Department of Health and Human Services - Administration on Aging through the Governor's Office of Elderly Affairs to Cenla Area Agency on Aging, Inc. who funds the **Council** on a predetermined unit cost reimbursement basis up to the contract amount.

The following funds are funds which comprise the **Council's** Special Revenue Funds:

Title III-B Supportive Services Fund

The Title III-B Supportive Services Fund is used to account for funds which are to provide a variety of social services; such as, information and assistance, access services, in-home services, community services and outreach for people age 60 and older.

Title III C-1 Fund

The Title III C-1 Fund is used to account for funds which are used to provide nutritional, congregate meals to the elderly in strategically located centers. During the fiscal year July 1, 2000 to June 30, 2001, the **Council** served about 11,195 congregate meals.

GRANT COUNCIL ON AGING, INC.
Colfax, Louisiana

NOTES TO FINANCIAL STATEMENTS
June 30, 2002

C. Fund Accounting: (Continued)

Title III C-2 Home Delivered Meals Fund

Title III C-2 Fund is used to account for funds which are used to provide nutritional, home delivered meals to homebound older persons. During the fiscal year July 1, 2001 to June 30, 2002, the **Council** served about 42,529 home delivered meals.

Title III-E Fund

The Fund Accounts for the resources and activities of the National Family Care Giver Support Program. The Purpose of the program is to Provide multifaceted systems of Support services for family care givers and grandparents or older individuals who are relative care givers.

Senior Center Fund

The Senior Center fund is used to account for the administration of Senior Center program funds appropriated by the Louisiana Legislature to the Governor's Office of Elderly Affairs to Cenla Area Agency on Aging, Inc. who funds the **Council** on a predetermined unit cost reimbursement basis up to the contract amount. This program provides community service centers at which older persons receive supportive services and participate in activities which foster their independence, enhance their dignity, and encourage their involvement in and with the community. The **Council** operates 1 senior center in Grant Parish, Louisiana.

GRANT COUNCIL ON AGING, INC.
Colfax, Louisiana

NOTES TO FINANCIAL STATEMENTS
June 30, 2001

C. Fund Accounting: (Continued)

Special Revenue Fund (continued)

Supplemental Senior Center Fund

The Supplemental Senior Center Fund is used to account for additional funds to be used to supplement the primary contract for the Senior Centers. These funds are appropriated by the Louisiana Legislature to the Governor's Office of Elderly Affairs to Cenla Area Agency Aging, Inc. who funds the **Council**.

Utility Assistance Fund

The Utility Assistance Fund is used to account for the administration of programs that are sponsored by local utility companies. The companies collect contributions from service customers and employees and remit the funds directly to the **Council** or the Louisiana Association of Councils on Aging (LACOA), which in turn remits funds relating to Grant Parish to the **Council**. These funds are used to provide financial assistance to the elderly for the payment of their utility bills.

Account Groups

An account group is a financial reporting device designated to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources. The following account group is not a "fund".

General Fixed Assets

The fixed assets (capital outlays) used in governmental fund type operations of Grant Council on Aging, Inc. are accounted for (capitalized) in the General Fixed Assets Account Group and are recorded as expenditures in the governmental fund types when purchased.

GRANT COUNCIL ON AGING, INC.
Colfax, Louisiana

NOTES TO FINANCIAL STATEMENTS
June 30, 2001

C. Fund Accounting: (Continued)

Special Revenue Fund (continued)

General Long Term Debt

General obligations of the **Council** are recorded in the General Long Term Debt Account Group. The only general obligation at June 30, 2001 was compensated absences.

D. Basis of Accounting:

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The governmental funds, including the General and Special Revenue Funds, are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases (revenues and other financing sources) and decreases (expenditures and other uses) in net current assets.

Governmental funds are maintained on the modified accrual basis of accounting wherein revenues are recognized in the accounting period in which they become available and measurable. Expenditures are recognized in the accounting period in which the liability is incurred, if measurable.

E. Transfers:

Advances between funds which are not expected to be repaid are accounted for as transfers. In those cases where repayment is expected, the advances are classified as due from other funds or due to other funds on the balance sheet. Short-term interfund loans are classified as interfund receivables/payables.

GRANT COUNCIL ON AGING, INC.
Colfax, Louisiana

NOTES TO FINANCIAL STATEMENTS
June 30, 2001

F. Budget Policy:

The **Council** follows these procedures in establishing the budgetary data reflected in these financial statements.

- The Cenla Area Agency on Aging, Inc. notifies the **Council** each year as to the funding levels for each program's grant award.
- The **Council** may also obtain grants from agencies other than GOEA and the **Council** considers the potential revenues to be earned under those grants.
- Projections are made of revenues from other sources based on past trends and data available to form expectations of future revenues.
- The Executive Director prepares a proposed budget based on the funding levels provided by Cenla Area Agency on Aging, Inc. and then submits the budget to the Board of Directors for approval before May 31 of the current year for the following year.
- The adopted budget is forwarded to the Cenla Area Agency on Aging, Inc. for final approval.
- All budgetary appropriations lapse at the end of each fiscal year (June 30). Occasionally, the **Council** will receive a special project grant which may operate on a period different from the **Council's** normal fiscal year, and therefore, have a specified date where the budgetary appropriations will lapse.
- The budget is prepared on a modified accrual basis, consistent with the basis of accounting, for comparability of budgeted and actual revenues and expenditures.
- Budgeted amounts included in the accompanying financial statements include the original adopted budget amounts and all subsequent amendments.
- Actual amounts are compared to budgeted amounts periodically during the fiscal year as a management control policy.

GRANT COUNCIL ON AGING, INC.
Colfax, Louisiana

NOTES TO FINANCIAL STATEMENTS
June 30, 2001

F. Budget Policy: (Continued)

- The **Council** may transfer funds between line items as often as required but must obtain prior approval from the Cenla Area Agency on Aging, Inc. for funds received under grants from GOEA.
- The **Council** is not required by state or local law to prepare a budget for every program or activity it conducts. Accordingly, some General Fund activities are not budgeted, particularly if they are deemed to be immaterial by management.

G. Total Columns of Combined Statements:

Total columns on the combined statements are captioned "Memorandum Only" to indicate that they are presented only to help with financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

II. Fixed Assets:

The accounting and reporting treatment applied to the fixed assets associated with a fund are determined by its measurement focus.

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the general fixed asset account group, and are recorded as expenditures in the governmental fund types when purchased. No depreciation has been provided on general fixed assets.

All fixed assets are stated at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are stated at their estimated fair market value on the date of donation.

GRANT COUNCIL ON AGING, INC.
Colfax, Louisiana

NOTES TO FINANCIAL STATEMENTS
June 30, 2001

I. Comparative Data:

Comparative data for the prior year is presented in the accompanying financial statements to provide an understanding of changes in the **Council's** financial position and operations. However, presentation of comparative data by fund type is not presented in each of the statements since its inclusion would make the statements unduly complex and difficult to read.

J. Restricted Assets:

Restricted assets represent assets which are primarily acquired through donations whereby the donor places restrictions on how the donation can be used by the **Council** (i.e., utility assistance funds). Restricted assets are offset by reservations of fund balances.

K. Investments:

Investments are reported in the general fund at the fair market value. The Council is depositing excess cash funds into the Louisiana Asset Management Pool (LAMP).

Louisiana Asset Management Pool (LAMP) operates under Louisiana law as a cooperative endeavor to assist local Louisiana governmental entities in the investment of cash balances. The objective of LAMP is to provide safety of principal and daily liquidity with a competitive rate of return through investments in obligations issued by the U.S. government, its agencies and instrumentalities and in repurchase agreements collateralized by those investments. All public entities, excluding the state of Louisiana and its departments, are eligible to participate in LAMP.

LAMP is administered by a Louisiana non-profit corporation, Louisiana Asset Management Pool, Incorporated (LAMP, Inc.), which is governed by a board of 15 members elected by the pool's participants each year at the LAMP annual meeting.

GRANT COUNCIL ON AGING, INC.
Colfax, Louisiana

NOTES TO FINANCIAL STATEMENTS
June 30, 2001

**NOTE 2 REVENUE RECOGNITIONS - INTERGOVERNMENTAL GRANTS,
PUBLIC SUPPORT, AND MISCELLANEOUS REVENUES**

Intergovernmental revenues are recorded in governmental funds as revenues in the accounting period that they become susceptible to accrual, that is, measurable and available (modified accrual basis). (Contracts do not allow the **Council** to recognize revenue until units of services are provided.)

Act 735 funds are received as monthly allocations of the total grant in advance of the actual expenditures.

Public Support and Miscellaneous Revenues

The **Council** encourages and receives contributions from clients to help offset the costs of various programs. In addition, various fund raisers are held during the year to obtain funds to offset costs of general operations and senior center activities. The timing and amounts of the receipts of public support and miscellaneous revenues are difficult to predict; therefore, they are not susceptible to accrual and are recorded as revenue in the period received.

NOTE 3 INCOME TAX STATUS

The **Council**, a non-profit corporation, is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code of 1986 and as an organization that is not a private foundation as defined in Section 509 (a) of the Code. It is also exempt from Louisiana income tax.

NOTE 4 FUND BALANCE - RESERVED

Fund balance - reserved - special revenue fund consists of amounts to be specifically used for utility assistance.

GRANT COUNCIL ON AGING, INC.
Colfax, Louisiana

NOTES TO FINANCIAL STATEMENTS
June 30, 2002

NOTE 5 CONTRACTS RECEIVABLE

Contracts receivable at June 30, 2002, consisted of the following:

<u>Program</u>	<u>Fund</u>	<u>Funding Agency</u>	<u>Amount</u>
Senior Center	Special Revenue	Cenla AAA	\$ 1,580
Title III-B	Special Revenue	Cenla AAA	3,519
Title III C-1	Special Revenue	Cenla AAA	2,066
Title III C-1	Special Revenue	Other	107
Title III C-2	Special Revenue	Cenla AAA	4,985
Title III E	Special Revenue	Cenla AAA	2,128
Title III D	Special Revenue	Cenla AAA	224
Supplemental Senior Center	Special Revenue	Cenla AAA	<u>837</u>
Total			<u>\$ 15,446</u>

NOTE 6 CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

	<u>Balance</u> <u>6/30/01</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>6/30/02</u>
Furniture & equipment	\$12,324	\$58,665		\$70,989

NOTE 7 COMPENSATED ABSENCES

Annual leave is earned by employees at varying rates per pay period based on length of service. The amount of accumulated annual leave which can be carried forward at the end of the year is limited based on length of service up to 45 days.

GRANT COUNCIL ON AGING, INC.
Colfax, Louisiana

NOTES TO FINANCIAL STATEMENTS
June 30, 2002

NOTE 8 CASH IN BANK

The **Council** maintains a consolidated bank account to deposit the money it collects and to pay its bills. The consolidated bank account is available for use by all funds. The purpose of this consolidated account is to reduce administration costs and facilitate cash management. The consolidated account also allows those funds with available cash balances to cover any negative cash balances in other funds at year end. At June 30, 2002, the balance of the **Council's** consolidated bank account was \$39,400. The related bank balance (collected deposits) at that date was \$49,204. The **Council** also maintains a payroll account. At June 30, 2002, the balance of the payroll account was \$33. The related bank balance (collected deposits) at that date was \$1,746. All of the deposits were covered by federal depository insurance. GASB Statement 3 categorized the credit risk of these deposits as Category 1 because they are fully insured.

NOTE 9 JUDGEMENTS, CLAIMS AND SIMILAR CONTINGENCIES

There is no litigation pending against the **Council** at June 30, 2002. Furthermore, **Council's** management believes that any potential litigation would be adequately covered by insurance.

NOTE 10 FEDERAL AWARD PROGRAMS

The **Council** receives revenues from various federal and state grant programs which are subject to final review and approval as to allow ability of expenditures by the respective grantor agencies. Any settlements or expenses arising out of a final review are recognized in the period agreed upon by the agency and the **Council**. Also, it is management's opinion that any audits by the grantor agencies would not produce disallowed program costs and liabilities to such an extent that they would materially affect the **Council's** financial position.

GRANT COUNCIL ON AGING, INC.
Colfax, Louisiana

NOTES TO FINANCIAL STATEMENTS
June 30, 2002

NOTE 11 ECONOMIC DEPENDENCY

The **Council** receives the majority of its revenue from contracts with Cenla Area Agency on Aging, Inc. If significant budget cuts are made at the federal and/or state level, the amount of funds contracted by Cenla Area Agency on Aging, Inc. could be reduced significantly and have an adverse impact on the **Council's** operations. Management is not aware of any actions that will adversely affect the amount of funds the **Council** will receive in the next fiscal year.

NOTE 12 RELATED PARTY

There were no related party transactions during the fiscal year.

NOTE 13 RISK MANAGEMENT

The **Council** is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The **Council** has purchased commercial insurance to cover or reduce the risk of loss that might arise should one of these incidents occur. No settlements were made during the year that exceeded the **Council's** insurance coverage.

NOTE 14 INTERFUND TRANSFERS

Operating transfers in and out are listed by fund for 2002:

<u>Funds Transferred Out</u>									
<u>Funds Transferred In</u>	<u>Title III</u>					<u>Supplemental</u>		<u>General Fund</u>	<u>Total In</u>
	<u>C-1</u>	<u>C-2</u>	<u>B</u>	<u>D</u>	<u>E</u>	<u>Senior Center</u>	<u>Senior Center</u>		
Title III B- Supportive Services				\$2,633	\$2,603	\$18,982	\$ 759		\$ 24,977
Title III C-1							1,411		1,411
Title III C-2	\$ 5,035						7,571	\$21,779	34,385
General Fund	7,519								11,978
Title III E0					4,459		38		38
Total Out	<u>\$12,554</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$2,633</u>	<u>\$7,062</u>	<u>\$18,982</u>	<u>\$9,779</u>	<u>\$ -0-</u>	<u>\$72,789</u>

GRANT COUNCIL ON AGING, INC.
Colfax, Louisiana

NOTES TO FINANCIAL STATEMENTS
June 30, 2002

NOTE 15 BOARD OF DIRECTORS COMPENSATION

The Board of Directors is a voluntary board; therefore, no compensation has been paid to any member. However, board members are reimbursed for out-of-town travel expenses incurred in accordance with the **Council's** regular personnel policy.

NOTE 16 The council's investments of \$15,535, as presented on the balance sheet, is valued at fair value. Investments at June 30, 2002 are as follows:

<u>fund</u>	<u>With Whom</u>	<u>Investment</u>	<u>cost</u>	<u>value</u>
General	LAMP	POOLED	\$15,144	\$15,535

The investments are registered in the name of LAMP and are held in the custodial bank's trust account at the federal reserve. Because the investments are held by LAMP'S custodial bank in the name of LAMP and not the council's name, the investments are considered category C, in applying the credit risk of GASB Codification Section 150.125.

ADDITIONAL INFORMATION

SCHEDULE 1

GRANT COUNCIL ON AGING, INC.
Coffax, Louisiana

COMBINING SCHEDULE OF PROGRAM REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - GENERAL FUND
For the Year Ended June 30, 2002

	<u>Other Local</u>	<u>Medicaid</u>	<u>PCOA Act 735</u>	<u>Totals</u>
Revenues				
Intergovernmental				
Office of Elderly Affairs			\$ 21,779	\$ 21,779
Department of Health and Hospitals		\$ 557		557
Program Income	\$ 1,140			1,140
Public Support	2,965			2,965
Interest Income	393			393
Total revenues	<u>4,498</u>	<u>557</u>	<u>21,779</u>	<u>26,834</u>
Expenditures				
Current				
Salaries		361		361
Fringe		46		46
Travel	808	45		853
Operating services	5,598	79		5,677
Operating supplies	1,887	7		1,894
Total expenditures	<u>8,293</u>	<u>538</u>	<u>-0-</u>	<u>8,831</u>
Excess (deficiency) of revenues over expenditures	<u>(3,795)</u>	<u>19</u>	<u>21,779</u>	<u>18,003</u>
Other financing sources (uses)				
Operating transfers in	11,978			11,978
Operating transfers out			(21,779)	(21,779)
Total other financing sources (uses)	<u>11,978</u>	<u>-0-</u>	<u>(21,779)</u>	<u>(9,801)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	8,183	19	-0-	8,202
Fund balance, beginning	<u>63,983</u>	<u>(3,406)</u>	<u>-0-</u>	<u>60,577</u>
Fund balance, ending	<u>\$72,166</u>	<u>\$ (3,387)</u>	<u>\$ -0-</u>	<u>\$ 68,779</u>

GRANT COUNCIL ON AGING, INC.
Colfax, Louisiana

COMBINING SCHEDULE OF PROGRAM REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - SPECIAL REVENUE FUNDS
For the Year Ended June 30, 2002

	Utility Assistance	Title III-B Supportive Services	Title III C-1	Title III C-2	Senior Center	Supplemental Senior Center	Title III-D	Title III-E	FEMA	Totals
Revenues										
Intergovernmental										
Cenla Area Agency on Aging, Inc.		\$ 38,639	\$ 22,180	\$ 48,370	\$ 18,982	\$ 10,000	\$ 2,633	\$ 12,758	\$ 4,178	\$ 153,562
United Way		-0-								4,178
Program Income		6,882	455	10,605						17,942
Public support		109								3,513
Interest Income	\$ 3,404	-0-	-0-	-0-	-0-	-0-	-0-	-0-		
Total Revenues	<u>3,404</u>	<u>45,630</u>	<u>22,635</u>	<u>58,975</u>	<u>18,982</u>	<u>10,000</u>	<u>2,633</u>	<u>12,758</u>	<u>4,178</u>	<u>179,195</u>
Expenditures										
Current:										
Salaries		38,102	5,458	48,523				2,707		94,790
Fringe		4,852	695	6,179				345		12,071
Travel		2,873	110	584				89		3,656
Operating services	3,708	21,426	4,065	36,403		221		2,004	8,143	75,970
Operating supplies		3,354	1,164	1,671				589		6,778
Total expenditures	<u>3,708</u>	<u>70,607</u>	<u>11,492</u>	<u>93,360</u>	<u>-0-</u>	<u>221</u>	<u>-0-</u>	<u>5,734</u>	<u>8,143</u>	<u>193,265</u>

SCHEDULE I.E. 2 (continued)

Excess (deficiency) of revenues over expenditures	<u>(304)</u>	<u>(24,977)</u>	<u>11,143</u>	<u>34,385</u>	<u>18,982</u>	<u>9,779</u>	<u>2,633</u>	<u>7,024</u>	<u>(3,965)</u>	<u>14,070</u>
Other financing sources (uses)										
Operating transfers in		24,977	1,411	34,385				38		60,811
Operating transfers out			<u>(12,554)</u>		<u>(18,982)</u>	<u>(9,779)</u>	<u>(2,633)</u>	<u>(7,062)</u>		<u>(51,010)</u>
Total other financing sources (uses)	<u>-0-</u>	<u>24,977</u>	<u>(11,143)</u>	<u>34,385</u>	<u>(18,982)</u>	<u>(9,779)</u>	<u>(2,633)</u>	<u>(7,024)</u>	<u>-0-</u>	<u>9,801</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>(304)</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>(3,965)</u>	<u>(4,269)</u>
Fund balance, beginning	<u>1,338</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>3,975</u>	<u>5,313</u>
Fund balance, ending	<u>\$ 1,034</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 10</u>	<u>\$ 1,044</u>

SCHEDULE 3

GRANT COUNCIL ON AGING, INC.
Collfax, Louisiana

SCHEDULE OF PROGRAM EXPENDITURES BUDGET VS. ACTUAL
For the Year Ended June 30, 2002

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<u>PCOA - ACT 735</u>			
Transfers	<u>\$ 21,779</u>	<u>\$ 21,779</u>	<u>\$ -0-</u>
Totals	<u>\$ 21,779</u>	<u>\$ 21,779</u>	<u>\$ -0-</u>
 <u>TITLE III-B SUPPORTIVE SERVICES</u>			
Salaries	\$ 36,819	\$ 38,102	\$ (1,283)
Fringe	3,799	4,852	(1,053)
Travel	3,492	2,873	619
Operating services	10,040	21,426	(11,386)
Operating supplies	3,653	3,354	299
Other costs	3,210		3,210
Totals	<u>\$ 61,013</u>	<u>\$ 70,607</u>	<u>\$ (9,594)</u>
 <u>TITLE III C-1</u>			
Salaries	\$ 5,449	\$ 5,458	\$ (9)
Fringe	563	695	(132)
Travel	226	110	116
Operating services	19,549	4,065	15,484
Operating supplies	1,346	1,164	182
Other costs	120		120
Transfers	<u>8,701</u>	<u>12,554</u>	<u>(3,853)</u>
Totals	<u>\$ 35,954</u>	<u>\$ 24,046</u>	<u>\$ 11,908</u>

GRANT COUNCIL ON AGING, INC.
Collfax, Louisiana

SCHEDULE OF PROGRAM EXPENDITURES BUDGET VS. ACTUAL
For the Year Ended June 30, 2002

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<u>TITLE III C-2</u>			
Salaries	\$ 46,778	\$ 48,523	\$ (1,745)
Fringe	4,825	6,179	(1,354)
Travel	21,861	584	21,277
Operating services	13,138	36,403	(23,265)
Operating supplies	2,367	1,671	696
Other costs	1,196		1196
Transfers	<u>65,343</u>	<u></u>	<u>65,343</u>
	<u>\$ 155,508</u>	<u>\$93,360</u>	<u>\$62,148</u>
<u>TITLE III-D</u>			
Transfers	\$ 2,633	\$ 2,633	\$ -0-
Totals	<u>\$ 2,633</u>	<u>\$ 2,633</u>	<u>\$ -0-</u>
<u>TITLE III-E</u>			
Salaries	\$ 6,247	\$ 2,707	\$ 3,540
Fringe	644	345	299
Travel	2,819	89	2,730
Operating Services	1,865	2,004	(139)
Operating Supplies	1,052	589	463
Other	<u>169</u>	<u>-0-</u>	<u>169</u>
Totals	<u>\$ 12,796</u>	<u>\$ 5,734</u>	<u>\$ 7,062</u>
<u>SENIOR CENTER</u>			
Transfers	\$ 18,982	\$ 18,982	\$ -0-
	<u>\$ 18,982</u>	<u>\$ 18,982</u>	<u>\$ -0-</u>
<u>SUPPLEMENTAL SENIOR CENTER</u>			
Transfers	\$ 9,779	\$ 9,779	\$ -0-
Totals	<u>\$ 9,779</u>	<u>\$ 9,779</u>	<u>\$ -0-</u>

GRANT COUNCIL ON AGING, INC.
Collfax, Louisiana

COMPARATIVE SCHEDULE OF GENERAL FIXED ASSETS
AND CHANGES IN GENERAL FIXED ASSETS
For the Year Ended June 30, 2002

	Balance June 30, <u>2001</u>	<u>Additions</u>	<u>Deletions</u>	Balance June 30, <u>2002</u>
GENERAL FIXED ASSETS, AT COST				
Furniture & equipment	\$ 12,324	\$ -0-	\$ -0-	\$ 12,324
Building		53,665		53,665
Land		<u>5,000</u>		<u>5,000</u>
Total General Fixed Assets	<u>\$ 12,324</u>	<u>\$58,665</u>	<u>\$ -0-</u>	<u>\$ 70,989</u>
INVESTMENT IN GENERAL FIXED ASSETS				
Title III-C-1	\$ 586		\$ -0-	\$ 586
Title III-C-2	586			586
Senior Center	586			586
General	<u>10,566</u>	<u>\$58,665</u>		<u>69,231</u>
Total Investment in General Fixed Asset	<u>\$ 12,324</u>	<u>\$58,665</u>	<u>\$ -0-</u>	<u>\$ 70,989</u>

**OTHER REPORT REQUIRED BY
*GOVERNMENT AUDITING STANDARDS***

MEMBER
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS



MEMBER
SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

DAUZAT, BEALL & DEBEVEC, CPAs

A PROFESSIONAL CORPORATION

REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Directors
Grant Council on Aging, Inc.

We have audited the general purpose financial statements of Grant Council on Aging, Inc. (a non-profit organization) as of and for the year ended June 30, 2002, and have issued our report thereon dated October 25, 2002. We conducted our audit in accordance with generally accepted auditing standards in the U.S. and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Council's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions is not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no material instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Council's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operations that we consider to be material weaknesses.

This report is intended for the information of the Board of Directors, management and federal awarding agencies, and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in cursive script, reading "David Ball & Scherer", followed by a horizontal line.

Certified Public Accountants

October 25, 2002

GRANT COUNCIL ON AGING, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2002

We have audited the financial statements of Grant Council on Aging, Inc. as of and for the year ended June 30, 2002, and have issued our report thereon dated October 25, 2002. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our audit of the financial statements as of June 30, 2002 resulted in an unqualified opinion.

Section 1 Summary of Auditor's Reports

a. Report on Internal Control and Compliance Material to the Financial Statements

Internal control

Material Weaknesses ☐ Yes ☒ No Reportable Conditions ☐ Yes ☒ No

Compliance

Non Compliance Material to Financial Statements ☐ Yes ☒ No

Section II Financial Statement Findings

There were no Financial Statement findings or questioned costs.

GRANT COUNCIL ON AGING, INC.
SCHEDULE OF PRIOR YEAR FINDINGS
For the Year Ended June 30, 2001

**SECTION 1 INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE
FINANCIAL STATEMENTS**

There were no Internal Control or Compliance findings.